Executive Summary

Health Care Financing Administration
National Medicare Education Program
Coordinating Committee Meeting
Washington, D.C.

Wednesday, October 25, 2000

The October meeting of the Health Care Financing Administration's (HCFA) National Medicare Education Program (NMEP) Coordinating Committee was held on Wednesday, October 25, 2000, from 9 a.m. to 1 p.m., at the Washington Renaissance Hotel at 999 Ninth Street, NW, in Washington, D.C. A list of attendees is provided in Attachment A.

Meeting Topics and Synopsis

Welcome, Introductions, and HCFA Update ¾ Michael McMullan

Ms. McMullan welcomed all of the attendees and introduced new staff at HCFA. These included Mr. Richard Chambers who is serving as Acting Deputy Director of the Center for Beneficiary Services (CBS), and Mr. Rick McNaney, Director of the Communications Staff, who was recently appointed Acting Director of the Partnership Development Group (PDG) within CBS. She also introduced Lindsey Cometa who is serving as Acting Deputy Director for PDG. Ms. McMullan reviewed recent and upcoming activities in CBS.

Medicare Handbook

- Handbooks were mailed out to 34 million beneficiary households across the United States and territories by the scheduled date of October 15, 2000. The handbooks were shipped with mail-back postcards to encourage feedback from beneficiaries on the handbook and informational needs.
- According to Postal Service verification, the only delay in distributing the handbook was in Puerto Rico because of printing issues, but since there are no Medicare + Choice options available in Puerto Rico, this created no major problems.

Medicare.gov (www.medicare.gov)

- There were 2 million page views in August on the Medicare.gov Web Site (**www.medicare.gov**), which translates into almost 600,000 visits.
- The most visited Web Site was Nursing Home Compare, followed by Health Plan Compare, Medigap Compare, and Helpful Contacts.
- The Chinese language pages numbered 7,500 page views in August.

- Medicare Compare was updated on September 15 with information for Plan Year 2001; there are numerous local outreach events on non-renewals posted on the outreach calendar.

Toll-Free Line (1-800-MEDICARE)

- Customer service calls are also increasing. In the most recent report, there were an average of 70,000 calls handled by customer service representatives on the 1-800-MEDICARE toll-free line each week; an additional 45,000 per week were routed to and handled by the 24-hour automated voice response unit.
- Approximately 95 percent of calls were in English, 5 percent in Spanish, and .02 percent on the TDD (a line for those with speech or hearing impairment). The average call lasted 6 minutes.
- The largest volume of calls came from States with the highest Medicare beneficiary populations: California, Texas, New York, and Florida.
- The most frequently sought information concerned the following:
  - Ordering publications
  - Comparing health plans
  - Acquiring general information about Social Security, Medicaid, and Medicare Savings Accounts.
- The most popular print information distributed through the toll-free line was the following:
  - *Medicare Compare*
  - *Guide to Health Insurance*
  - *Medigap Policies and Protections*
  - Additional copies of *Medicare & You* handbook

State Health Insurance Assistance Programs (SHIPs)

HCFA provided $5.5 million in targeted supplemental grants to States in addition to base grants to help SHIPs accomplish the following:

- Enhance their telephone systems
- Expand their volunteer networking
- Promote a mentoring system
- Expand and improve use of the Internet
- Look at targeted outreach activities to reach people with access barriers (language or location).

Medicare Changes and other Medicare + Choice Activities

- There are new regulations for outpatient and home health prospective payment systems and new coverage for clinical trials. Details of all changes with impact on providers and patients are listed on the HCFA Web Site (**www.hcfa.gov**).
- A FY 2000 grant was awarded to the Medstat Group for a 3-year contract to conduct formative research on long-term care education. The work includes the following:

  - Developing pilot programs on what people know and do not know, what is new, and what is needed
  - Determining how to leverage work already being done in long-term care
  - Developing a sustainable long-term care education and awareness campaign.
- On November 2, 2000, HCFA and the SPRY Foundation will sponsor a video teleconference for information intermediaries on Medicare changes, including the new Private Fee-for-Service Plan Option, clinical trial coverage, nonrenewals, and the outpatient prospective payment system. To access the video teleconference, go to the SPRY Foundation Web Site at **www.spry.org** or contact Natalie Seltz at 202-216-8473 for more information.

Nonrenewals

- Final notification letters for plans not renewing were issued to beneficiaries by October 2, 2000.
- Customized letters were sent to individuals in 17 States with additional Medigap protections.
- HCFA will continue to standardize coverage policies with managed care organizations.

Legislative Overview ¾Peter Hickman **NOTE: ALL LEGISLATION IS STILL PENDING AND PROVISIONS DISCUSSED BELOW MAY OR MAY NOT APPEAR IN FUTURE VERSIONS OF THIS BILL.**

Mr. Hickman presented the major Medicare+Choice and beneficiary improvements provisions in the "Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000", which, as of this date (October 25, 2000), still awaits final congressional action.

- Approximately, forty percent of $27.5 billion allocated for Medicare over 5 years will go for Medicare + Choice (M+C) plans. Over 10 years, the total is 44 percent.
- Congress would mandate a phase-in for risk adjustments over a 14-year period, the longest phase-in for any payment system in Medicare history.
- The bill would allow plans that had previously withdrawn their M+C options to return (in this year). It would also offer to plans that remained the opportunity to revise their adjusted community rates (ACRs) based on the new payment rates outlined in this bill.
- The bill also changes how M+C plans would be paid for enrollees with the End Stage Renal Disease (ESRD). Beginning in 2002, the bill requires HCFA to use the payment methodology in use in the ESRD SHMO demonstration.

Other provisions include the following:

- Rules for special guaranteed issue periods for Medigap policies would be simplified. Beneficiary rights would no longer be contingent on whether they disenroll from a plan or stay in the plan until their coverage is terminated.
- ESRD patients affected by termination may join another M+C plan in their area.
- The Balanced Budget Reconciliation Act (BBRA) provision that provided a bonus if a plan came into areas that were abandoned is extended for another year.
- A managed care patient who is hospitalized is permitted to "return home" to the their originating nursing home or congregate living facility as long as that facility is willing to accept the payment rate that would otherwise apply.

Beneficiary Improvements

- The periodicity of Pap smears is expanded from every 3 years to every 2 years.
- A glaucoma screening benefit would be added for people with a family history of glaucoma or individuals with diabetes.
- Under the colorectal screening benefit, persons not at high risk for colon cancer would have access to a screening colonoscopy in addition to flexible sigmoidoscopy.
- Nutritional therapy for individuals with diabetes and renal diseases could be covered.
- Outpatient (Part B) copayments under the prospective payment system (PPS) would be limited to an effective coinsurance rate of 60 percent in 2001 and lower levels in the following years.
- The definition of self-administered drugs would be modified, expanding the coverage for drugs and biologics that a beneficiary cannot usually self-administer.
- Existing limits on coverage of immunosuppressive drugs would be eliminated.
- Balanced billing limits would be imposed on drugs covered by Medicare.

Discussion

Following Mr. Hickman's presentation, these questions and issues were addressed:

- Why did DHHS Secretary Shalala and OMB Director Lew recommend a Presidential veto of the bill? Mr. Hickman responded that they were concerned that the proportion of spending going to Medicare + Choice plans was out of proportion to the percentage of beneficiaries in those plans.
- An NMEP partner noted that funds are limited for Medicare education, especially for those with limited English proficiency.
- In a related concern about the complexities of Medicare education, a partner mentioned that some Medicare HMOs have raised premiums and added first-day cost sharing to skilled nursing and hospital care. Participation in such Medicare HMOs may be much costlier than participation in a traditional Medicare program, particularly considering the high cost sharing for prescription drugs. How will HCFA address people and the plans about this change in cost sharing in the Medicare HMO environment? Ms. McMullan responded that HCFA is currently addressing this issue. HCFA's message is not that M+C is less expensive but that

participants have choices, and depending on their needs, they have to look at different choices, such as the cost-sharing portion, which may not have been there in the past.
- Other discussion issues included the uncertainty of the HCFA appropriation, the lack of mental health coverage in the bill, and the fact that a qualifying ESRD patient whose plan has folded could not be turned away.

Medicare +Choice Activities— Jean LeMasurier

Please note that all data was accurate as of October 25, 2000, but is subject to change.

Jean LeMasurier described recent M+C activities, including operational work on renewals and nonrenewals, processing paper work, and concerns about handling the operational impact of legislation, including ACRs, marketing materials, and capacity limits.

Nonrenewals

- 934,000 beneficiaries will lose their current M+C plans as of January, 2001. 167,000 of those beneficiaries will have no other M+C managed care option and will return to the Original Medicare Plan.
- Although the number of beneficiaries (and letters) more than doubled from last year, the process went smoothly, in part due to the use of model letters.

Renewals

- With fewer contractors and new software, the renewal process for preparing ACRs and plan benefit packages (PBPs) for HCFA's 263 plans went smoothly.
- Most of the plans have their ACRs and their benefits submitted and approved.
- All beneficiaries of renewing plans have received their letters or they are in the mail as of this date.

Benefit changes

- There is a 20 percent increase in the average premium nationally as compared with last year; there are few zero-premium plans anymore.
- Fewer plans will have access to prescription drugs this year—79 percent last year compared with 73 percent this year.
- Many plans are reducing prescription drug access and some are restructuring their drug benefits into tiered systems.

Additional information appears on the Medicare Compare Web Site (www.medicare.gov).

Private Fee-for-Service Plans (PFFS): Sterling Medicare + Choice Activities

As the first—and currently the only—M+C PFFS plan, Sterling Life Insurance Company (Sterling) is the subject of great attention by HCFA and the partners. Beneficiary education about benefits and the reality of rising premiums are major issues of concern.

- Marketing began in September, and membership has been growing since that time.
- Sterling Option I service area has expanded from 17 to 25 States.
- There are now 1,300 Medicare members.

- Sterling receives 1,000 calls and adds up to 100 enrollments a day. The largest penetrations are in Texas, Louisiana, Mississippi, and Tennessee.
- Premiums will increase from $55 to $65 in 2001.
- Sterling plans to increase its provider outreach.
- Twenty-eight percent of enrollees with Sterling are disabled Medicare beneficiaries, despite the plan's higher home health and durable medical equipment (DME) copayments.
- HCFA is also reviewing benefits, marketing materials, and capacity limits.

Discussion

- A member asked if Sterling's marketing materials described the higher costs associated with the plan, particularly in the case of those with disabilities. Ms. LeMasurier responded that HCFA's communication plan works to distinguish Sterling and other PFFS plans from basic Medicare, but she noted "It is important to remember that most people with disabilities do not otherwise have access to the Medigap market."
- Other participants were concerned about Sterling's educational materials, beneficiary understanding of the difference between Medigap and Sterling enrollment, doctors' response to Sterling, and SHIPS monitoring of the situation. HCFA will continue to monitor the overall picture, Ms. LeMasurier said, and the SHIPs are well trained in distinguishing between PFFS, Medigap and M+C options.
- A partner asked what tools HCFA has developed to help beneficiaries make PFFS decisions. HCFA responded that it has produced materials that explain PFFS, Medigap and M+C and has worked with other partners and agencies to break down the information into pieces that beneficiaries can identify and understand.

Medicare.Gov Releases ¾ Mary Agnes Laureno

Mary Agnes Laureno said that **Medicare.gov** is gaining in popularity, as indicated by hits that exceeded 2 million page views last month.

There are exciting changes/enhancements taking place on www.medicare.gov. The September 15 web release included a number of changes such as:

- Medicare Health Plan Compare ..
  - A switch to the Summary of Benefits format for the cost benefit information on health plans and access to both 2000 and 2001 plan data through early December.
  - Updated HEDIS (Health Plan Employer Data and Information Set) data (1999 data) and the addition of 3 new measures: flu, glucose (HgA1C), and cholesterol.
  - Using new technology that integrates the call center print on demand service with the web site. This enables much more timely processing of beneficiary requests for plan information.

There will be a large web site release on November 15 which will include:

- Nursing Home Compare - The addition of historical data to enable users to view the results of the 3 most recent State surveys on a nursing home.
- Medicare Health Plan Compare - All of Medicare Health Plan Compare will be available in Spanish including quality and disenrollment measures and navigation instructions.
- Online Publication Ordering – We will begin pilot testing an online publication ordering system for implementation in early 2001.
- Prescription Drug Assistance Program – We will be adding this new interactive database which will enable users to search for Medigap and Medicare Health Plans that offer some prescription drug coverage and information on assistance programs offered by the State, local community, drug manufacturer, or disease organization.
- Participating Physician Directory – We will be adding this new interactive database which will enable users to search for participating physicians in their geographic area by specialty type. Physicians who do not participate, who opt for private contracting and who are excluded from Medicare as a result of a sanction will not be included. We plan to expand the directory to include participating suppliers in 2001.

There will be another web release in January 2001 which will include:

- Dialysis Facility Compare - We will be adding this new interactive database which will include information on ~3500 dialysis facilities and will enable users to search for dialysis facilities in their geographic area. It will include information about the facility and quality measures (anemia management, adequacy of dialysis and survival rates).
- Nursing Home Compare – We will be adding measures taken from the nursing home Minimum Data Set.

In response to a question, the group was told that the site is ADA compliant.

Department of Defense (DOD)/Office of Personnel Management Federal Employee Health Plan Demonstrations—Ellen Tunstall

Ellen Tunstall described the DoD/FEHB Demonstration Project. The Project, authorized by the National Defense Authorization Act for FY 1999, signed into law on October 17, 1998, is a 3-year demonstration project that permits military retirees ages 65 and older and certain dependents to enroll in the Federal Employee Health Benefits (FEHB) program. The purpose

of the demonstration is to assess the viability of expanding access to the FEHB program to Medicare eligibles who are DOD beneficiaries. It affects 66,000 beneficiaries in 10 geographic locations.

Key points about this project are listed below:

- It is being demonstrated in the following areas:
  - Denver Air Force Base
  - Puerto Rico
  - Ft. Knox, KY area
  - Greensboro, NC area
  - Dallas, TX area
  - Humboldt, CO area
  - Camp Pendleton, CA area
  - New Orleans, LA area
  - Coffee County, GA area
  - Adair County, IA area
- Eligibles include the following:
  - Medicare-eligible active or retired military members
  - Medicare-eligible dependents and certain unremarried former spouses
  - Dependents of military members who died while on active duty for more than 30 days.
- Benefits are the same as those received by Federal employees and retirees, with cost sharing between Government and employees.
- Special rules include the following:
  - Those eligible as Federal employees or retirees under the FEHB cannot enroll.
  - Those who sign-up for the Demonstration Project may not use DoD treatment facilities.
  - If an enrollee cancels, he or she may not reenroll.

The results of the program thus far have been disappointing because of a relatively small number of enrollees (only 1200 out of 66,000 eligibles). The OPM anticipates more interest and enrollment for 2001.

Health Promotion—Ted Chiappelli, DrPH

Ted Chiappelli cited research that indicated that advocacy video programs are the most effective manner to communicate with the age 65+ population (Robert Wood Johnson, Roper, et al). In response, HCFA has developed a public service campaign that utilizes public service announcements (PSAs), video news releases (VNRs) and other media advocacy products to inform the public and hopefully influence public behavior. Dr. Chiappelli discussed and demonstrated several of the most effective products.

Dr. Chiappelli said that PSAs are effective because they personalize individual experience. In July, HCFA sent a new spot on preventive services to 12 of the top 20 television markets. Called *The Birthday Gift*, the PSA encourages a grandfather to seek a checkup for colorectal cancer. Shorter versions of this PSA simply tell the prevention story, without the diagnostic details. For more information, call 1-800-MEDICARE or refer to the Center's Web Site at **www.medicare.gov.**

Dr. Chiappelli said that HCFA has also found that VNRs are very effective sources of information for public on good health practices. They appear to be regular television news stories but are actually created by the client. This year, HCFA released several VNRs, including stories on diabetes, depression, and *What is Medicare?* Additional information about VNRs on colorectal and mammography screening will be available beginning this month through a satellite downlink on the Web Site at **www.medicare.gov.**

Diabetes Benefit Promotion Campaign – Mimi Lising and Jim Coan

Mimi Lising and Jim Coan described the National Diabetes Education Program (NDEP), a federally sponsored initiative of the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), and the Centers for Disease Control and Prevention (CDC). The goal of the NDEP is to reduce the deaths and disabilities associated with diabetes and its complications. The program message is that diabetes is serious, common, costly, but controllable.

The NDEP is trying to reach these audiences:
- People with diabetes and their families
- Health care providers
- General public, including people at risk of developing diabetes and the undiagnosed
- Payers, purchasers, and policymakers.

There are five components of the NDEP:
- Awareness campaigns
- Special populations
- Community interventions
- Health systems
- Partnership network.

The NDEP'S campaign is called "*Control Your Diabetes. For Life"* and is directed at people with diabetes and health care providers. It is designed to show that controlling blood glucose reduces the risk of diabetes complications.
- The campaign submessages are that diabetes can be controlled by the following actions:
  - Choosing foods to control blood sugar
  - Getting regular exercise

- Taking prescribed medications
- Testing blood sugar regularly.

The NDEP and HCFA are jointly developing a campaign called "The Power to Control Diabetes Is In Your Hands" to increase the number of Medicare beneficiaries with diabetes who test their blood sugar regularly and obtain needed diabetes supplies using their Medicare benefits. Products include a brochure, poster, countertop display, health care provider guide, a media kit and a community kit.

The campaign will be promoted through the media, through pilot sites in 3 communities (Puerto Rico, San Diego, and Nevada), through partnership outreach, and through a pharmacy point of purchase program.

Discussion

- A partner asked whether materials are produced in languages other than English and Spanish. Although there are none at present, HCFA is developing products in several Asian and Pacific Islander.
- A listener asked about HCFA's plans to distribute media products to cable news stations that are ethnic and community health specific. HCFA said it is working with local organizations and communities in large media markets and providing diabetes VNRs relevant to all audiences.

Open Discussion of Partner Activities —Rick McNaney

- The Center for Medicare Advocacy published a Medicare Handbook for information intermediaries that discusses issues in Medicare law. It offers appendices with forms and HCFA policy manuals. It can be ordered from the Center's Web Site at **http://medicareadvocacy.org**.
- The Office of Minority Health (OMH) published the latest version of *Minority Health Resources*. To obtain a copy, call 800-444-6472.
- If partners are interested in reporting additional organizational activities, they can contact Mr. McNaney at rmcnaney@hcfa.gov.

Suggested Topics for Next Meeting —All Participants

Participants asked for a discussion of the resolution of the Medicare legislation being considered at the time of this meeting.

The next meeting is tentatively scheduled for January 31, 2001.
Note: This date is revised due to facility availability.

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Renaissance Hotel
Washington, D.C.
October 25, 2000

Attachment A: List of Attendees

AARP
Nileeni Meegama

Albertsons
Larry Nappi
Mark de Bruin

American Association of Health Plans
Candace Schaller

American Bar Association
Leslie Fried
Naomi Karp

American Hospital Association
Ellen Pryga

American Medical Association
Sharon McIlrath

Blue Cross Blue Shield Association
Jane Galvin

Center for Medicare Advocacy
Vicki Gottlich

Consumer Coalition for Quality Health Care
Brian W. Lindberg

EDS
Lola Jordan

Employers' Managed Health Care Association
Lisa Corcoran

Health Insurance Association of America
Marianne Miller

Hewitt Associates
Andrew Zebrak

Joint Commission on Accreditation of Health Care Organizations
Anthony J. Trione

Medicare Rights Center
Diane Archer

National Asian Pacific Center on Aging
Clayton Fong

National Association of Area Agencies on Aging
Adrienne Dern

National Association of Health Underwriters
John Greene
Farren Ross

National Association of Insurance Commissioners
Alethia Jackson

National Association of State Units on Aging
Kate de Medeiros
Kathy Konka

National Committee to Preserve Social Security and Medicare
Danielle Jones

National Indian Council on Aging
Bill Benson

National Institute of Diabetes and Digestive and Kidney Diseases
Mimi Lising

National Organization for Rare Disorders
Diane E. Dorman

National Senior Citizens Law Center
Kim Glaun

Office of Personnel Management
Agnes Kalland
Ellen Tunstall

Public Service Enterprise Group
Kathy Kostecki

Railroad Retirement Board
Ann Alden

State Health Insurance Assistance Programs
Iris D. Brown

VHA Inc.
Edward N. Goodman

Watson Wyatt Worldwide
Rich Bruns

William M. Mercer, Inc.
Ed Susank

Invited Guests

Alliance for Health Reform
Jason D. Ormsby

Consultants for Corporate Benefits, Inc.
Aimee Schenkel

Indian Health Service
Harry Rosenzweig

Office of Minority Health Resource Center
Jose T. Carneiro
LaJoy Mosby

Paralyzed Veterans of America
Jennifer Podulka

United Seniors Health Cooperative
Christine Tschummi

HCFA
Nancy Caliman
Richard Chambers
Ted Chiappelli
Jim Coan
Lindsay Cometa
Lorna Evans
Reba Henighan
Peter Hickman
Susan Hill
Harriet Kelman
Mary Agnes Laureno
Jean LeMasurier
Marcia Marshall
Michael McMullan
Rick McNaney
Charlotte Newman
Steven Newman
Spencer Schron
Joe Slattery

IQ Solutions, Inc.
Gretchen Bretsch
Janet Lowenbach
Meredith Mastal
Ileana Quintas
William Sowers
Sharon Schultz
Lisa Wilder